

# U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

## **ANNOUNCEMENT**

#### CALL FOR DIASPORA PARTNERSHIPS CONCEPT PAPERS

## **UNDER EXISTING**

# GLOBAL DEVELOPMENT ALLIANCE ANNUAL PROGRAM STATEMENT APS No.: APS-OAA-16-000001

PLEASE NOTE: This is an addendum to an existing announcement. All interested organizations should carefully review both this addendum AND the full announcement, which can be found here: <a href="https://www.usaid.gov/gda/global-development-alliance-annual-program">https://www.usaid.gov/gda/global-development-alliance-annual-program</a>. Important information contained in the full worldwide announcement is not repeated in this specific addendum.

This program is authorized in accordance with Part 1 of the Foreign Assistance act of 1961, as amended.

Through this Addendum to the FY2016-2017 Global Development Alliance (GDA) Annual Program Statement (APS) No. APS-OAA-16-000001 (the GDA APS), the Frontier Partnerships Team within the USAID Global Development Lab's (the Lab) Center for Transformational Partnerships is making a special call for the submission of Concept Papers focused on the development of Diaspora<sup>1</sup> Partnerships.

The Lab is interested in collaborating with organizations working to engage diaspora communities in addressing development challenges in their countries of origin. The Lab is particularly seeking to identify **catalytic**, **diaspora-centric partnership models** centering on **economic development**, **entrepreneurship**, **philanthropy and/or investing**.

USAID anticipates funding no more than five projects via this call for partnerships at a level between \$100,000 and \$250,000 per partnership. Concepts should not be submitted without extensive engagement and pre-planning with one or more prospective private sector partners.

<sup>&</sup>lt;sup>1</sup> Diaspora is a term of self-identification used by a community of people who live outside a shared country of origin or ancestry. The term includes varied groups with a range of attachments to a homeland, including migrant workers; dual citizens; second, third, and higher generation citizens of a host country; and people with shared ethnic heritage.



Unless otherwise stated herein, all terms and conditions of the FY2016-2017 GDA APS apply (https://www.usaid.gov/gda/global-development-alliance-annual-program).<sup>2</sup>

## I. Background

With over 230 million people currently living outside of their country of origin, diasporas represent a force in today's global and political economy that cannot be overlooked. Diaspora communities and individuals maintain personal, professional, business, philanthropic, cultural, and political connections with their countries of origin or affinity. In many instances, diaspora interests align with USAID and partners' priorities in sectors such as economic growth, health, education, science, technology and innovation, and disaster and crisis response in the developing world. While the conversation often focuses on the economic power of remittances – estimated at over \$500 billion per year – diasporas, if engaged effectively, can leverage substantial human and financial capital to accelerate valuable development outcomes.

USAID is launching this Call for Diaspora Partnerships to source new ideas and engage a diverse set of partners in identifying and testing diaspora-focused innovations to address development challenges. USAID, through this partnerships call, seeks to identify catalytic, diaspora-centric partnership models which promote economic development, entrepreneurship, philanthropy and/or investing. USAID invites organizations to submit ideas for partnering and co-investing to address the objectives outlined in this document.

#### II. Solicitation

Through this announcement, USAID seeks a range of partnership models that engage diasporas in advancing one or more of the objectives below. Concept Papers that do not advance at least one of the objectives outlined in this document will not be reviewed. In addition, USAID encourages applicants to incorporate partnership ideas that reflect and advance women's engagement and empowerment.

## **OBJECTIVE 1 – DIASPORA INVESTMENT**

USAID proactively seeks to catalyze private investment from diaspora communities to businesses and social enterprises in countries of origin. We seek partnership ideas from investors, entrepreneurs, and others that incentivize and support diaspora investments. This includes but is not limited to the following:

<sup>&</sup>lt;sup>2</sup> As stated in APS No. APS-OAA-16-000001, the partnerships and alliances proposed in any Concept Paper should mobilize and leverage private sector resources at a minimum of 1:1. Proposed alliances that do not mobilize and leverage private sector resources at a value that equals or exceeds the level of funding being requested from USAID will not be considered under this announcement.



- <u>Crowdfunding</u>: Supporting initiatives that secure small amounts of funding from a large number of diaspora sources to invest in businesses or social enterprises in countries of origin. (*Note: funding raised via crowdfunding from individuals does not count toward the private sector leverage requirement under the GDA APS*).
- <u>Early Stage and/or Angel Investing</u>: Coordinating the activities of diaspora investors to provide financial support for entrepreneurs, startups, or early stage enterprises operating in the diaspora's country(ies) of origin.
- <u>Harnessing Remittances</u>: Creating catalytic mechanisms that tap into remittance flows for collective (rather than individual) benefit.

#### OBJECTIVE 2 - ENABLING ENVIRONMENT FOR ENTREPRENEURSHIP

Entrepreneurs are critical engines of growth and job creation in developing countries and USAID seeks to work with the diaspora community to foster and develop institutions, systems and environments conducive to entrepreneurship in diaspora countries of origin. USAID is interested in ideas that include but are not limited to:

- Entrepreneurship Accelerators: Competitive initiatives open to new or early stage growth-oriented businesses to help them scale faster. Accelerators may be cohort-based, have a fixed term, and include mentorship and educational components as well as direct investment or support in securing private investment.
- <u>Entrepreneurship Incubators</u>: Initiatives designed to help develop startup enterprises by providing management training and other supportive services.

## **OBJECTIVE 3 - NEW PHILANTHROPIC MODELS**

USAID seeks innovative ideas and models which harness diaspora philanthropy to foster investment in economic growth and entrepreneurship in developing countries. Such models might include:

- New Platforms: Creation of platforms through which philanthropic resources can fund business ventures that produce social and economic benefits for targeted communities or populations.
- <u>Social Enterprises:</u> Creation or strengthening of enterprises focused both on creating positive societal impact and earning a profit.

# **Geographic Scope**

Concept papers should focus on countries where USAID is currently present. For a full list of USAID presence countries, please see <a href="http://www.usaid.gov/where-we-work">http://www.usaid.gov/where-we-work</a>.

#### III. Evaluation Criteria



Proposed alliances will be evaluated based on the general criteria set forth in the GDA APS in Section VI: Concept Paper Evaluation Criteria and Considerations. As stated in APS No. APS-OAA-16-000001, USAID expects to receive alliance proposals that mobilize and leverage private sector resources at a minimum of 1:1. In addition, the following criteria will also be used:

- Extent to which diaspora engagement in the proposed activity is both explicit and well defined;
- Extent to which new collaborative approaches involving private sector actors to address the objectives outlined in this document are both explicit and well defined.

As discussed in the GDA APS, if an applicant cannot demonstrate private sector resource contributions that satisfy the private sector leverage requirements in Appendix I of the GDA APS, and the concept paper requirements in Section VI of the GDA APS, USAID is not obligated to entertain, consider or review the concept paper. Consideration or review of the concept paper would be wholly at USAID's discretion.

Preference will be given to alliances that include private sector partners who demonstrate long term commitment to the targeted region and a recognized business interest in the proposed concept.

Proposed alliances should be consistent with USAID legal and policy restrictions, including those set forth in USAID's Automated Directives System (ADS) and in the Foreign Assistance Act of 1961.

Note: If USAID requests a full proposal, applicants will be given additional, specific evaluation criteria that speak to the subject matter of the concept. <u>DO NOT submit</u> a full proposal unless asked to do so by USAID.

# IV. Application Instructions and Review Process

The USAID Center for Transformational Partnerships (USAID/LAB/CTP) will be responsible for the review process and management of any awards issued under this addendum. Applicants are required to follow the Concept Paper instructions set forth in the GDA APS and submit Concept Papers using the <a href="Concept Paper Template">Concept Paper Template</a>. Information provided in Section I.E of that Template should address the objectives and criteria presented above.

Before submitting a Concept Paper, prospective applicants should contact Nicholas Bassey at <a href="mailto:diasporas@usaid.gov">diasporas@usaid.gov</a>. As the USAID Point of Contact for alliance development under this addendum, Mr. Bassey can discuss the extent to which a proposed idea is appropriate and aligns with USAID's goals.



Prospective applicants must connect their private sector partners to Nicholas Bassey via <a href="mailto:diasporas@usaid.gov">diasporas@usaid.gov</a> as well. Under the GDA APS, the USAID Point of Contact can have robust and extensive discussions with prospective private sector partners with regard to potential alliance ideas and activities, so long as that partner is not seeking to receive and manage award funding from USAID. Such discussions help foster the cocreation that is core to the Global Development Alliance approach.

In order to be considered, concept papers must be received by 11:59 PM (Eastern Time) on April 20, 2017. USAID will provide a response to all concept papers by June 5, 2017. Please do not seek updates on the status of the concept paper review until after June 5, 2017.

Concept papers will be reviewed on a rolling basis. Prospective applicants are therefore encouraged to engage the private sector and develop a concept paper as soon as possible. USAID is interested in promptly identifying and developing high-impact alliances and may respond to any given concept paper submission in advance of the April 20, 2017 concept paper deadline or the June 5, 2017 response target date.

After a concept paper is reviewed by the USAID Frontier Partnerships Team (USAID/LAB/CTP), applicants will receive instructions from the Frontier Partnerships Team on whether USAID seeks to continue developing the proposed alliance.

The completed Concept Paper Template (including the Concept Paper and required Supporting Information) should be sent to USAID/LAB/CTP through diasporas@usaid.gov with a copy to gda@usaid.gov.

## V. Questions and Further Assistance

Questions regarding the substance and objectives of this addendum should be directed to Nicholas Bassey at diasporas@usaid.gov, with copy to gda@usaid.gov.

Questions regarding the substance and terms of the 2016 – 2017 GDA APS should be directed to Ken Lee at kenlee@usaid, with copy to gda@usaid.gov.

For additional information regarding guidelines and procedures to submit a concept paper, please refer to the GDA APS which can be found at the following website: https://www.usaid.gov/gda/global-development-alliance-annual-program.

<sup>&</sup>lt;sup>3</sup> Note: If the private sector partner is seeking to receive and manage USAID funding, the discussions will need to be more limited. Questions regarding the nature and scope of partner discussions prior to the submission of a concept paper, as well as any questions regarding the terms of the Global Development Alliance Annual Program Statement, can be directed to gda@usaid.gov or Ken Lee at kenlee@usaid.gov.